BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Own Motion to Evaluate Existing Practices and Policies for Processing General Rate Cases and to Revise the General Rate Case Plan for Class A Water Companies.

Rulemaking 03-09-005 (Filed September 4, 2003)

ADMINISTRATIVE LAW JUDGE'S RULING RESETTING FILING DATES FOR COMMENTS AND REPLY COMMENTS

On behalf of all parties, the Commission's Water Division has requested an extension of time to comment on the Draft Decision. The Water Division stated that the parties have engaged in good faith efforts to develop unanimous agreements on some or all of the issues in this proceeding, and that they expect to issue a workshop report on March 22, 2004. The Water Division requested that opening comments be reset from March 17, 2004, to April 2, 2004, and reply comments reset from March 29, 2004, to April 14, 2004.

The parties also stated that they believe several crucial issues should be delayed to a later phase of this proceeding. The Water Division identified streamlining cost of capital, interim rate rules, revision of the pro forma earnings test, escalation years guidelines and processing, penalties and deficiency review process for noncompliance with the filing plan as among the issues to be resolved in a later phase.

Resetting the filing dates for comments and reply comments will not severely affect the overall schedule for this proceeding. Delaying resolution of many major issues to a later phase will, however, significantly alter the schedule

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and create numerous practical problems. For example, utilities that are scheduled to file a general rate case application in July 2004 need to know how to prepare the cost of capital evidence as well as what to expect in the escalation years. On the other hand, some issues, such as interim rates, will not arise until a later date and could be addressed on a more extended schedule. The request, however, is not specific as to which issues should be delayed and for how long. Additional information is needed to determine whether a second phase is needed; and, if so, which issues should be resolved in any later phase. Therefore, the parties are directed to provide a specific list of issues proposed to be included in a second phase, as well as a draft procedural schedule. Such a list and schedule shall be included in the workshop report, if feasible; and if not, in initial comments.

For good cause shown, the following revised dates are adopted:

Opening Comments Filed and Served April 2, 2004

Reply Comments Filed and Served April 14, 2004

The scheduled oral argument date remains unchanged:

Oral Argument Before the Assigned Thursday, April 8, 2004

ALJ and Commissioner 10 a.m.

Commission Hearing Rooms

Target Commission Meeting Agenda April 22, 2004

Therefore, **IT IS RULED** that the procedural dates set out above are adopted.

Dated March 16, 2004, at San Francisco, California.

/s/ MARIBETH A. BUSHEY

Maribeth A. Bushey

Administrative Law Judge

R.03-09-005 MAB/hkr

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Resetting Filing Dates for Comments and Reply Comments on all parties of record in this proceeding or their attorneys of record.

Dated March 16, 2004, at San Francisco, California.

/s/ KE HUANG

Ke Huang

NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.